



Department of Health, Executive Office on Aging

LEGAL AD DATE: **September 27, 2010**

REQUEST FOR PROPOSALS No. RFP-910-FMS-EOA

SEALED OFFERS FOR Financial Management Service for a Participant-Directed Home and Community Based Support Program

STATE OF HAWAII DEPARTMENT OF HEALTH

WILL BE RECEIVED UP TO 4:00 PM (HST) ON **OCTOBER 27, 2010**

IN THE EXECUTIVE OFFICE ON AGING, 250 SOUTH HOTEL STREET, SUITE 406,
HONOLULU, HI 96813. DIRECT QUESTIONS RELATING TO THIS SOLICITATION TO
NANCY MOSER TELEPHONE (808) 586-7309, FACSIMILE (808) 586-0185 OR E-MAIL AT
NANCY.MOSER@doh.hawaii.gov.

Noemi Pendleton
Procurement Officer

Executive Office on Aging

RFP-910-FMS-EOA

TABLE OF CONTENTS

	<u>Page</u>
SECTION ONE: INTRODUCTION AND KEY DATES.....	1
SECTION TWO: BACKGROUND AND SCOPE OF WORK	3
SECTION THREE: PROPOSAL FORMAT AND CONTENT.....	8
SECTION FOUR: EVALUATION CRITERIA AND CONTRACTOR SELECTION.....	10
SECTION FIVE: SPECIAL PROVISIONS.....	11
SECTION SIX: ATTACHMENTS AND EXHIBITS.....	25
• Attachment 1: OFFER FORM, OF-1	
• Attachment 2: OFFER FORM, OF-2	
• Attachment 3: CERTIFICATE OF COMPLIANCE FOR FINAL PAYMENT	
• Exhibit A: FMS Responsibilities	
• Exhibit B: CLP Participant Guidebook (draft)	
• Exhibit C: General Conditions	

SECTION ONE
INTRODUCTION AND KEY DATES

1.01 TERMS AND ACRONYMS USED THROUGHOUT THE SOLICITATION

AAA	= Area Agency on Aging, the county government based agency that plans, develops and administers home and community based services in the county area
BAFO	= Best and Final Offer
CLP	= Community Living Program
Coach	= An individual who helps the participant understand CLP, develop a service and support plan and budget, and evaluate how the program is working for the participant
CPO	= Chief Procurement Officer
DAGS	= Department of Accounting and General Services
Employer	= a CLP participant who is using part or all of the participant-directed budget to employ worker(s) in the participant's home
EOA	= Hawaii State Executive Office on Aging
F/EA	= Fiscal/Employer Agent; the FMS acts as the participant's F/EA as defined in IRS code section 3504.
FMS	= Financial Management Service; the Contractor that handles all financial and contract matters on behalf of the participant enrolled in CLP, and acts as the F/EA
GC	= General Conditions, issued by the Department of the Attorney General
GET	= General Excise Tax
HAR	= Hawaii Administrative Rules
HCBS	= Home and Community Based Supports
HRS	= Hawaii Revised Statutes
Offeror	= Any individual, partnership, firm, corporation, joint venture, or representative or agent, submitting an offer in response to this solicitation.
Participant	= an eligible individual who elects to participate in the Community Living Program
Procurement Officer	= The contracting officer for the State of Hawaii, Department of Health, Executive Office on Aging
RFP	= Request for Proposals

State = State of Hawaii, including each departments and political subdivisions

1.02 INTRODUCTION

The Hawaii Department of Health, Executive Office on Aging desires to provide a pilot program of participant-directed supports (Hawaii's Community Living Program) to at least ninety (90) adults with limited incomes, but not Medicaid eligible, who may be at risk of placement in a nursing facility due to functional challenges. The purpose of the program is to help these targeted adults remain living in their own homes and avoid impoverishment. The program will serve participants living in Kauai, Maui, and/or Hawaii counties by providing a monthly budget to purchase supports such as employing personal assistance in the home or goods that support the participant to remain living at home. Approximately \$500,000 may be allocated as the aggregate budget to provide direct supports (funding the individual monthly budgets) for at least ninety (90) individuals in the 12-month period of the project.

Participant-direction is a service model that empowers public program participants and their families by expanding their degree of choice and control over the long-term services and supports they need to live at home. Many program participants share authority with or delegate authority to family members or others close to them. A participant's delegation of authority to a representative enables an adult with cognitive impairments to participate in participant-direction programs.

Participant-direction represents a major paradigm shift in the delivery of publicly funded home and community-based services administered by EOA. In the traditional service delivery model, decision making and managerial authority is vested in professionals who may be government employees/contractors or service providers. Participant-direction transfers much (though not all) of this authority to participants and their families (when chosen or required to represent them).

Participant-direction enables participants to hire, dismiss, and supervise individual workers (e.g., personal care attendants and homemakers) by providing participants with a flexible budget to purchase a range of services and goods to meet their needs. Budget amounts are based on the individual needs and values of the participant, determined by a comprehensive assessment and person-centered planning process.

EOA proposes in this RFP to procure an entity that can provide financial management services to participants for a 12-month period. Financial management will take the form of providing the services that meet IRS requirements for Vendor Fiscal/ Employer Agents (F/EA) operating under contract with state health and human service agencies and in accordance with Section 3504 of the IRS code and Revenue Procedure 70-6 to facilitate eligible publicly-funded home and community-based service recipients' use of self-directed services.

EOA is separately procuring a provider of CLP coaching services in a different RFP (RFP-910-COACH-EOA).

This CLP pilot project may serve as the testing ground for subsequent incorporation of participant direction into other EOA programs of home and community based support statewide. The scope of work required is described in Section 2 and the Exhibit A.

1.03 CANCELLATION

The RFP may be cancelled and any or all proposals rejected in whole or in part, without liability, when it is determined to be in the best interest of the State.

1.04 RFP SCHEDULE AND SIGNIFICANT DATES

The schedule set out herein represents the State's best estimate of the schedule that will be followed. All times indicated are Hawaii Standard Time (HST). If a component of this schedule, such as "Proposal Due" date is delayed, the rest of the schedule will likely be shifted by the same number of days. The approximate schedule is as follows:

Advertising of Request for Proposals	September 27, 2010
Deadline to Submit Written Questions	October 6, 2010
State's Response to Written Questions	October 13, 2010
Proposals Due and Opened	October 27, 2010 by 4 pm
Proposal Evaluations	November 1, 2010
Discussion with Priority Listed Offerors	November 3-5, 2010
Best and Final Offer	November 8, 2010
Estimated Contract Award	November 10, 2010
Estimated Contract Start Date	December 1, 2010

SECTION TWO

BACKGROUND AND SCOPE OF WORK

2.01 PROJECT OVERVIEW AND HISTORY

The project overview is described above in Section 1.02.

2.02 SCOPE OF WORK

The Contractor shall:

- A. Provide financial management services to manage financial, employer and contract matters on behalf of each participant enrolled in the CLP;
- B. Support the principles and philosophy of home and community-based programs that offer the participant-directed service option;
- C. Carry out the duties and responsibilities described in Exhibit A and apply the General Conditions in Exhibit C, included and made a part hereof;
- D. Act as the reporting agent for the government fiscal/employer agent, as defined in Section 3504 of the IRS code and Revenue Procedure 70-6, 1970-1 C.B. 420, as modified by January 13, 2010 Proposed Notice of Rulemaking: *Section 3504 Agent Employment Tax Liability* (REG 137-36-08-1) and any other future revenue procedures, notices or publications promulgated by the IRS in the future;
- E. Account for participant funds on an individual basis;
- F. Advance funds to pay participants' employees and vendors, invoice the state monthly, and receive reimbursement within 30 days after the state receives the Contractor's invoice;
- G. Provide each participant and the State with monthly individual budget reports;
- H. Ensure that generally accepted accounting standards are used;
- I. Maintain audited financial statements for at least two fiscal years. The statements must include a balance sheet, statement of revenue and expense, and a statement of cash flow. Statements must include the auditor's opinion, the notes to the financial statements, and management letters submitted by the auditor to the applicant.
- J. Establish a quality assurance and internal monitoring process;
- K. Develop and implement policies and procedures congruent with the philosophy of participant direction and not limiting the participant's choice of provider;
- L. Be able to exchange data electronically with EOA, and in compliance with HIPAA;

- M. Participate in on-site contract monitoring conducted by EOA;
- N. Have the capacity to scale operations quickly for a surge in program growth over the course of the contract period;
- O. Have the capacity to serve participants living in the counties of Kauai, Maui and Hawaii;
- P. Report any suspected or alleged abuse, neglect or exploitation of a vulnerable adult in compliance with HRS Chapter 346.

2.03 HAWAII DEPARTMENT OF HEALTH, Executive Office on Aging RESPONSIBILITIES

- (1) Identify each participant to be enrolled in CLP and authorize the participant to receive FMS, Support Coaching and a monthly budget amount;
- (2) Transmit public funds for the participant's monthly budget to the Contractor after receipt of invoice;
- (3) Communicate any changes in program policies and procedures to the Contractor in a timely manner.
- (4) Monitor the subject contract and evaluate the CLP program.

2.04 TERM OF CONTRACT

The contract shall be for a period of twelve (12) months beginning approximately on December 1, 2010 and ending November 30, 2011. Unless terminated, the Contractor and the State may extend the term of the contract for an additional period of up to twelve (12) months or portions thereof without the necessity of re-bidding, upon mutual agreement in writing at least sixty (60) days prior to the expiration of the contract. The contract price paid to the Contractor for the extended period shall remain the same or be renegotiated for a lesser rate.

When interests of the State or the Contractor so require, the State or the Contractor may terminate the contract for convenience by providing six (6) weeks prior written notice to the contracted parties.

SECTION THREE

PROPOSAL FORMAT AND CONTENT

3.01 INTRODUCTION

One of the objectives of this RFP is to make proposal preparation easy and efficient, while giving Offerors ample opportunity to highlight their proposals. The evaluation process must also be manageable and effective. When an Offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks described in this RFP and any supplemental tasks the Offeror has identified as necessary to successfully complete the obligations outlined in this RFP.

The proposal shall describe in detail the Offeror's ability and availability of services to meet the goals and objectives of this RFP as stated in **Section 2.02 SCOPE OF WORK**.

Proposals must:

1. Include a transmittal letter to confirm that the Offeror shall comply with the requirements, provisions, terms, and conditions specified in this RFP (see OF-1).
2. Include signed Offer Form OF-1 with the complete name and address of Offeror's firm and the name, mailing address, telephone number, and fax number of the person the State should contact regarding the Offeror's proposal.
3. If subcontractor(s) will be used, append to the transmittal letter a statement from each subcontractor, signed by an individual authorized to legally bind the subcontractor and stating:
 - a. The general scope of work to be performed by the subcontractor;
 - b. The subcontractor's willingness to perform as a subcontractor, in accordance with the specifications in this RFP.
4. Provide all of the information requested in this RFP in the order specified.
5. Be organized into sections, following the exact format using all titles, subtitles, and numbering, with tabs separating each section described below. Each section must be addressed individually and pages must be numbered.
 - a. Transmittal Letter
See Section Six, Attachment 1, Offer Form OF-1.
 - b. Experience and Capabilities.
 - 1) Client listing.
 - 2) Number of years in business.
 - 3) Listing of key personnel and associated resumes for those who will be dedicated to this contract.
 - 4) Listing of references.
 - 5) Summary listing of judgments or pending lawsuits or legal actions.
 - 6) Samples of projects similar to those described in this RFP.

- 7) Statement that the Offeror does not have a conflict of interest in that the Offeror does not sell goods or administer support services of a type that can be purchased with participant's budgets.
 - 8) Externally audited financial statements for the past 2 years, with auditors' opinions (to establish financial viability).
- c. Proposal including an overall strategy, timeline and plan.
- d. Pricing.
See Section Six, Attachment 2, Offer Form OF-2.
- e. Exceptions.

3.02 EXPERIENCE AND CAPABILITIES

- (1) Provide a complete, related and current client listing.
- (2) Indicate the number of years Offeror has been in business and the number of years Offeror has performed services specified by this RFP.
- (3) Include a list of key personnel and associated resumes for those who will be dedicated to this project.
- (4) Offeror shall include a list of at least three (3) references from the Offeror's client listing that may be contacted by the State as to the Offeror's past and current job performance. Offeror shall provide names, titles, organizations, telephone numbers, email and postal addresses.
- (5) Provide a summary listing of judgments or pending lawsuits or actions against; adverse contract actions, including termination(s), suspension, imposition of penalties, or other actions relating to failure to perform or deficiencies in fulfilling contractual obligations against your firm. If none, so state.
- (6) Provide descriptions of two (2) projects or services the Offeror has performed that are similar to the services specified by this RFP.
- (7) Provide a statement that the Offeror does not have a conflict of interest in that the Offeror does not sell goods or administer non-FMS support services of a type that can be purchased with participant's budgets. (Examples: Personal care, housekeeping, homemaker services, transportation, home delivered meals, heavy chore services, adult day care, running errands, shopping, attendant care)
- (8) Externally audited financial statements for the past 2 years, with auditors' opinions (to establish financial viability).

3.03 PROPOSAL, STRATEGY AND PROJECTED TIMETABLE

Offeror shall submit a proposal that includes an overall strategy, timeline and plan for the work proposed as well as expected results and possible shortfalls.

3.04 PRICING

Offeror shall submit the following prices or price components that are applicable to the Offeror's proposal.

Price Allocation Components	Price Allocation	Price
1. Start-up costs if applicable and a description of the activities to be conducted as part of the start-up costs.	<i>Fixed Price</i>	
2. Billing for and disbursing program participant budget funds.	<i>Per unit cost</i>	
3. Enrolling CLP program participants, employees, service and support providers and vendors in the Financial Management System.	<i>Per unit cost</i>	
4. Creating and managing all CLP program participants', employees', service and support providers' and vendors' program-specific documents and files (current and archived);	<i>Per unit cost</i>	
5. For CLP participants, preparing and distributing employees' payroll including management of federal and state payroll taxes, garnishments, levies and liens, FICA refunding and issuance of IRS Forms W-2 and W-3 as applicable;	<i>Per unit cost</i>	
6. Managing invoices and paying service and support providers and vendors;	<i>Per unit cost</i>	
7. Preparing and disbursing required reports to the state and program participants.	<i>Per unit cost</i>	
8. Other components (please describe)		
Total Fixed Price if applicable or estimated total annual cost for services to all participants using a per unit cost.	<i>Fixed Price</i>	

Refer to Section Six, Attachment 2, for Offer Form OF-2.

3.05 EXCEPTIONS

Offeror shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any.

SECTION FOUR

EVALUATION CRITERIA AND CONTRACTOR SELECTION

Mandatory Requirements. The Offeror shall submit each of the items listed and described in Section Three. If these items are not included the offer shall be deemed non-responsive and shall not be considered.

Scoring. Evaluation criteria and the associated maximum points are listed below. The award will be made to the responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria listed in this section.

The total number of points used to score this contract is 100.

- 1) Cost of services (30 points)
- 2) Previous experience, capability and proficiency in providing services similar to those in this RFP (15)
 - a. Number of years in the business and number of years performing services similar to those specified in this RFP
 - b. Reference and client listings
 - c. Descriptions of two (2) projects or services the Offeror has performed that are similar to the services specified by this RFP
- 3) Financial viability as evidenced by auditor's statements (15)
- 4) Project Proposal (40)
 - a. Methodology
 - b. Timeline
 - c. Expected Results
 - d. Possible Shortfalls

SECTION FIVE

SPECIAL PROVISIONS

5.01 SCOPE

All financial management services provided for the Community Living Program shall be in accordance with this RFP, including the special provisions in this section, the Scope of Work specified herein, and the General Conditions (GC), included by reference and attached.

5.02 RESPONSIBILITY OF OFFERORS

Offeror is advised that if awarded a contract under this solicitation, Offeror shall, upon award of the contract, furnish proof of compliance with the requirements of §103D-310(c), HRS:

1. Chapter 237, tax clearance;
2. Chapter 383, unemployment insurance;
3. Chapter 386, workers' compensation;
4. Chapter 392, temporary disability insurance;
5. Chapter 393, prepaid health care; and
6. Chapter 103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.

Refer to the Award of Contract provision herein for instructions on furnishing the documents that are acceptable to the State as proof of compliance with the above-mentioned requirements.

5.03 OFFEROR QUALIFICATIONS

Offeror shall meet all of the qualifications required by this RFP. Failure to meet the qualifications as specified in Section 3.02, Experience and Capabilities, will likely have an adverse affect on Offeror's proposal evaluation.

5.04 TERM OF CONTRACT

Successful Offeror shall be required to enter into a formal written contract to commence work on this project.

The initial term of the contract shall be for a period of twelve (12) months starting on the official commencement date of the Notice to Proceed. The contract may be extended for up to one additional 12 month period or any portion thereof, if mutually agreed upon in writing prior to contract expiration. The Contractor or State may terminate the extended contract period at any time upon 6 weeks prior written notice.

5.05 CONTRACT ADMINISTRATOR

For the purposes of this contract, Nancy Moser , EOA Grants Manager , (808) 586-7309, nancy.moser@doh.hawaii.gov, or authorized representative, is designated the Contract Administrator.

5.06 OVERVIEW OF THE RFP PROCESS

- a. The RFP is issued pursuant to Subchapter 6 of HAR Chapter 3-122, implementing HRS Section 103D-303.
- b. The procurement process begins with the issuance of the RFP and the formal response to any written questions or inquiries regarding the RFP. Changes to the RFP will be made only by Addendum.
- c. Proposals shall not be opened publicly, but shall be opened in the presence of two (2) or more procurement officials. The register of proposals and Offerors' proposals shall be open to public inspection after posting of the award.

All proposals and other material submitted by Offerors become the property of the State and may be returned only at the State's option.

- d. The Procurement Officer, or an evaluation committee selected by the Procurement Officer, shall evaluate the proposals in accordance with the evaluation criteria in Section Four. The proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable.
- e. Proposals may be accepted on evaluation without discussion. However, if deemed necessary, prior to entering into discussions, a "priority list" of responsible Offerors submitting acceptable and potentially acceptable proposals shall be generated. The priority list may be limited to a minimum of three responsible Offerors who submitted the highest-ranked proposals. The objective of these discussions is to clarify issues regarding the Offeror's proposal before the BAFO is tendered.
- f. If during discussions there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP shall be distributed only to priority listed Offerors who submit acceptable or potentially acceptable proposals.
- g. Following any discussions, Priority Listed Offerors will be invited to submit their BAFO, if required. The Procurement Officer or an evaluation committee reserves the right to have additional rounds of discussions with the top three (3) Priority Listed Offerors prior to the submission of the BAFO.
- h. The date and time for Offerors to submit their BAFO, if any, is indicated in Section 1.04, RFP Schedule and Significant Dates. If Offeror does not submit a notice of withdrawal or a BAFO, the Offeror's immediate previous offer shall be construed as its BAFO.
- i. After receipt and evaluation of the BAFOs in accordance with the evaluation criteria in Section Four, the Procurement Officer or an evaluation committee will

make its recommendation. The Procurement Officer will award the contract to the Offeror whose proposal is determined to be the most advantageous to the State taking into consideration price and the evaluation factors set forth in Section Four.

- j. The contents of any proposal shall not be disclosed during the review, evaluation, discussion, or negotiation process. Once an award notice is posted, all proposals, successful and unsuccessful, become available for public inspection. Those sections that the Offeror and the State agree are confidential and/or proprietary should be identified by the Offerors and shall be excluded from access.
- k. The Procurement Officer or an evaluation committee reserves the right to determine what is in the best interest of the State for purposes of reviewing and evaluating proposals submitted in response to the RFP. The Procurement Officer or an evaluation committee will conduct a comprehensive, fair and impartial evaluation of proposals received in response to the RFP.
- l. The RFP, any addenda issued, and the successful Offeror's proposal shall become a part of the contract. All proposals shall become the property of the State of Hawaii.

5.07 CONFIDENTIAL INFORMATION

If a person believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld as confidential, then the Procurement Officer named on the cover of this RFP should be so advised in writing and provided with justification to support confidentiality claim. Price is not considered confidential and will not be withheld.

An Offeror shall request in writing nondisclosure of designated trade secrets or other proprietary data considered confidential. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.

Pursuant to HAR Section 3-122-58, the head of the purchasing agency or designee shall consult with the Attorney General and make a written determination in accordance with HRS Chapter 92F. If the request for confidentiality is denied, such information shall be disclosed as public information, unless the person appeals the denial to the Office of Information Practices in accordance with HRS Section 92F-42(12).

5.08 REQUIRED REVIEW

Offeror shall carefully review this solicitation for defects and questionable or objectionable matter. Comments concerning defects and questionable or objectionable matter **must be made in writing and should be received by the Executive Office on Aging prior to the deadline for written questions as stated in the RFP Schedule and Significant Dates, section 1.04.** This will allow issuance of any necessary corrections and/or amendments to the RFP. It will help prevent the opening of a defective solicitation and exposure of Offeror's proposal upon which award could not be made. Any exceptions taken to the terms, conditions, specifications, or other

requirements listed herein, must be listed in the *Exceptions* section of the Offeror's proposal, if the exception is unresolved by the Proposal Due date.

5.09 QUESTIONS PRIOR TO OPENING OF PROPOSALS

All questions must be submitted in writing and directed to the Procurement Officer, Noemi Pendleton at noemi.pendleton@doh.hawaii.gov or (808) 586-0185 (fax). The State will respond to written questions by the date indicated in Section One, 1.04 RFP Schedule and Significant Dates, or as amended.

5.10 CANCELLATION OF RFP AND PROPOSAL REJECTION

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part when it is determined to be in the best interest of the State, pursuant to HAR Section 3-122-96 through 3-122-97.

5.11 OFFER ACCEPTANCE PERIOD

The State's acceptance of offer, if any, will be made within sixty (60) calendar days after the opening of proposals. Prices or commissions quotes by the Offeror shall remain firm for a sixty (60) day period.

5.12 PROPOSAL AS PART OF THE CONTRACT

This RFP and all or part of the successful proposal may be incorporated into the contract.

5.13 CONTRACT MODIFICATIONS - UNANTICIPATED AMENDMENTS

During the course of this contract, the Contractor may be required to perform additional work that will be within the general scope of the initial contract. When additional work is required, the Contract Administrator will provide the Contractor a written description of the additional work and request the Contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work.

Changes to the contract may be modified only by written document (contract modification) signed by the Procurement Officer and by Contractor personnel authorized to sign contracts on behalf of the Contractor.

The Contractor will not commence additional work until a signed contract modification has been issued.

5.14 PROTEST

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award of the contract.

The notice of award, if any, resulting from this solicitation shall be posted on the Procurement Reporting System, which is available on the SPO website: <http://www.hawaii.gov/spo2/source/>.

Any protest pursuant to §103D-701, HRS, and Section 3-126-3, HAR, shall be submitted in writing to the Procurement Officer, Executive office on Aging, 250 South Hotel Street, Suite 406, Honolulu, Hawaii 96813.

5.15 GOVERNING LAW: COST OF LITIGATION

The validity of this contract and any of its terms or provisions, as well as the rights and duties of the parties to this contract, shall be governed by the laws of the State of Hawaii. Any action at law or equity to enforce or interpret the provisions of this contract shall be brought in a state court or competent jurisdiction in Honolulu, Hawaii.

In case the State shall, without any fault on its part, be made a part to any litigation commenced by or against the Contractor in connection with this contract, the Contractor, shall pay all costs and expenses incurred by or imposed on the State, including attorneys' fees.

5.16 SUBMISSION OF PROPOSAL

The submission of a proposal shall constitute an incontrovertible representation by the Offeror of compliance with every requirement of the RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of performance of the work.

Before submitting a proposal, each Offeror must:

- (1) Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any attachments, plans referred to herein, and any other relevant documents;
- (2) Become familiar with State, local, and federal laws, statutes, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work.

5.17 PROPOSAL PREPARATION

- a. **OFFER FORM, page OF-1.** See Attachment 1. Proposals shall be submitted using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate spaces on Offer Form page OF-1. Failure to do so may delay proper execution of the contract.

The authorized signature on the first page of the Offer Form shall be an original signature in ink. If unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the Offeror's intent to be bound.

- b. **Offer Guaranty.** An offer guaranty is NOT required for this RFP.
- c. **Tax Liability.** Work to be performed under this solicitation is a business activity taxable under HRS Chapter 237, and if applicable, taxable under HRS Chapter 238. Vendors are advised that they are liable for the Hawaii GET at the current 4% rate and the applicable use tax at the current 1/2% rate. If, however, an Offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.
- d. **Taxpayer Preference.** For evaluation purposes, pursuant to HRS §103D-1008, the Offeror's tax-exempt price offer submitted in response to an IFB shall be increased by the applicable retail rate of general excise tax and the applicable use tax. Under no circumstance shall the dollar amount of the award include the aforementioned adjustment.
- e. **Original Proposal and Copies to be Submitted.** Offeror shall submit one (1) original proposal marked "ORIGINAL" and three (3) **copies** of the original marked "COPY". It is imperative to note that the Offeror submit only one original and the required number of copies. DO NOT SUBMIT MORE THAN ONE ORIGINAL.

Offeror is encouraged to submit typewritten offers. If handwritten, it should be clearly printed. Offeror is cautioned that illegible offers of any item(s) may be automatically rejected to avoid any errors in interpretation by the reviewers during the evaluation process.

- e. Costs for developing the Proposal are solely the responsibility of the Offeror, whether or not any award results from this solicitation. The State of Hawaii will not reimburse such costs.
- f. All proposals become the property of the State of Hawaii.
- g. Copies of documents transmitted by Offerors via facsimile machines shall be limited to the modifications or withdrawal of an offer pursuant to HAR Sections 3-122-108 and 3-122-28, respectively.

5.18 SUBMISSION OF PROPOSAL

Offers shall be received at the Executive Office on Aging, 250 South Hotel Street, Suite 406, Honolulu, Hawaii 96813, no later than the date and time stated in Section 1.04, Significant Dates, as amended. Timely receipt of offers shall be evidenced by the date and time registered by the Executive Office on Aging time stamp clock. Offers received after the deadline shall be returned unopened.

If the Offeror chooses to deliver its offer by United States Postal Service (USPS), please be aware that the USPS does not deliver directly to Executive Office on Aging, but to a central mailroom. This may cause a delay in receipt by the Executive Office on Aging and the offer may reach the Executive Office on Aging after the deadline, resulting in automatic rejection.

5.19 PRICING

Pricing shall include labor, materials, supplies, all applicable taxes, **except the GET, currently 4%, which may be added as a separate line item and shall not exceed the current rate**, and any other costs incurred to provide the specified services.

The pricing shall be the all-inclusive cost, except the GET, to the State and no other costs will be honored.

5.20 ECONOMY OF PRESENTATION

Proposals shall be prepared in a straightforward and concise manner, in a format that is reasonably consistent and appropriate for the purpose. Emphasis will be on completeness and clarity and content. If any additional information is required by the State regarding any aspects of the Offeror's proposal, it shall be provided within four (4) business days.

5.21 PROPOSAL OPENING

Proposals will be opened at the date, time, and place specified in Section One, or as amended. Proposals shall not be opened publicly, but shall be opened in the presence of two or more procurement officials. The register of proposals and Offeror's proposals shall be open to public inspection after all parties sign the contract.

5.22 EVALUATION OF PROPOSALS

The Procurement Officer, or an evaluation committee of at least three (3) qualified state employees selected by the Procurement Officer shall evaluate proposals. The evaluation will be based solely on the evaluation criteria set out in Section Four of this RFP.

Proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable. Discussion may be conducted with priority listed Offerors who submit proposals determined to be acceptable or potentially acceptable of being selected for award, but proposals may be accepted without such discussions. The objective of these discussions is to clarify issues regarding the Offeror's proposals before the best and final offer, if necessary.

If numerous acceptable and potentially acceptable proposals are submitted, the evaluation committee may rank the proposals and limit the priority list to three responsive, responsible offerors who submitted the highest-ranked proposals.

5.23 DISCUSSION WITH PRIORITY LISTED OFFERORS

Priority listed offerors shall have a discussion with the evaluation committee to discuss their proposal to ensure thorough, mutual understanding. The State in its sole discretion shall schedule the time and location for these discussions, normally within the timeframe indicated in Section 1.04.

5.24 CANCELLATION OF RFP AND PROPOSAL REJECTION

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part when it is determined to be in the best interest of the State, pursuant to HAR Section 3-122-96 through 3-122-97.

The State shall not be liable for any costs, expenses, loss of profits or damages whatsoever, incurred by the Offeror in the event this RFP is cancelled or a proposal is rejected.

5.25 ADDITIONAL TERMS AND CONDITIONS

The State reserves the right to add terms and conditions during the contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluation.

5.26 CONTRACT EXECUTION

Successful Offeror receiving award shall enter into a formal written contract. No work is to be undertaken by the Contractor prior to the commencement date. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

If an option to extend is mutually agreed upon, the Contractor shall be required to execute a supplement to the contract for the additional extension period. The Contractor or the State may terminate the extended contract at any time without cause upon six (6) weeks prior written notice.

5.27 PAYMENT

Incremental payments shall be made to the awarded Contractor on a monthly basis, upon receipt of invoices and reports that meet the expectations of the RFP. \

HRS Section 103-10, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory completion of contract to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within

a shorter period. Further, the State will reject any offer submitted with a condition requiring interest payments greater than that allowed by HRS §103-10, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

5.28 AWARD

Method of Award. The award will be made to the responsive, responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria.

Responsibility of Lowest Responsive Offeror. Reference HRS Chapter 103D-310(c). If compliance documents have not been submitted to the Executive Office on Aging prior to award, the lowest responsive offeror shall produce documents to the procurement officer to demonstrate compliance with this section.

HRS Chapter 237 tax clearance requirement for award. Instructions are as follows:

Pursuant to HRS §103D-328, lowest responsive Offeror shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). The certificate shall have an original green certified copy stamp and shall be valid for six (6) months from the most recent approval stamp date on the certificate. It must be valid on the date it is received by the Executive Office on Aging.

The tax clearance certificate shall be obtained on the State of Hawaii, DOTAX *TAX CLEARANCE APPLICATION* Form A-6 (Rev. 2003) which is available at the DOTAX and IRS offices in the State of Hawaii or the DOTAX website, and by mail or fax:

DOTAX Website (Forms & Information): http://www.hawaii.gov/tax/a1_1alphalist.htm

DOTAX Forms by Fax/Mail: (808) 587-7572
1-800-222-7572

Completed tax clearance applications may be mailed, faxed, or submitted in person to the Department of Taxation, Taxpayer Services Branch, to the address listed on the application. Facsimile numbers are:

DOTAX:	(808) 587-1488
IRS:	(808) 539-1573

The application for the clearance is the responsibility of the Offeror, and must be submitted directly to the DOTAX or IRS and not to the Executive Office on Aging. However, the tax clearance certificate shall be submitted to the Executive Office on Aging.

HRS Chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award.

Instructions are as follows:

Pursuant to HRS §103D-310(c), the lowest responsive Offeror shall be required to submit a certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by the Executive Office on Aging. A photocopy of the certificate is acceptable to the Executive Office on Aging.

The certificate of compliance shall be obtained on the State of Hawaii, DLIR *APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH HAR SECTION 3-122-112*, Form LIR#27 which is available at <http://hawaii.gov/labor/formsall.shtml> or at the neighbor island DLIR District Offices. The DLIR will return the form to the Offeror who in turn shall submit it to the Executive Office on Aging.

The application for the certificate is the responsibility of the Offeror, and must be submitted directly to the DLIR and not to the Executive Office on Aging. However, the certificate shall be submitted to the Executive Office on Aging.

Compliance with Section 103D-310(c), HRS, for an entity doing business in the State. The lowest responsive Offeror shall be required to submit a *CERTIFICATE OF GOOD STANDING* (Certificate) issued by the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division (BREG). The Certificate is valid for six months from date of issue and must be valid on the date it is received by the Executive Office on Aging. A photocopy of the certificate is acceptable to the [Executive Office on Aging.

To obtain the Certificate, the Offeror must first be registered with the BREG. A sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate.

On-line business registration and the Certificate are available at www.BusinessRegistrations.com. To register or to obtain the Certificate by phone, call (808) 586-2727 (M-F 7:45 to 4:30 HST). Offerors are advised that there are costs associated with registering and obtaining the Certificate.

Final Payment Requirements. Contractor is required to submit a tax clearance certificate for final payment on the contract. A tax clearance certificate, not over two months old, with an original green certified copy stamp, must accompany the invoice for final payment on the contract.

In addition to the tax clearance certificate, an original "Certification of Compliance for Final Payment" (SPO Form-22), attached, will be required for final payment. A copy of the Form is also available at www.spo.hawaii.gov. Select "Forms for Vendors/Contractors" menu.

Hawaii Compliance Express. Alternately, instead of separately applying for these paper certificates at the various state agencies, vendors may choose to use the Hawaii Compliance Express (HCE), which allows businesses to register online through a simple

wizard interface at <http://vendors.ehawaii.gov> to acquire a "Certificate of Vendor Compliance." The HCE provides current compliance status as of the issuance date. The "Certificate of Vendor Compliance" indicating that vendor's status is compliant with the requirements of HRS Chapter 103D-310(c), shall be accepted for both contracting purposes and final payment. Vendors that elect to use the new HCE services will be required to pay an annual fee of \$15.00 to the Hawaii Information Consortium, LLC (HIC). Vendors choosing not to participate in the HCE program will be required to provide the paper certificates as instructed in the prior sections.

Timely Submission of all Certificates. The above certificates should be applied for and submitted to the Executive Office on Aging as soon as possible. If a valid certificate is not submitted on a timely basis for award of a contract, an offer otherwise responsive and responsible may not receive the award.

5.29 SUBCONTRACTING

No work or services shall be subcontracted or assigned without the prior written approval of the State. No subcontract shall under any circumstances relieve the Contractor of his/her obligations and liability under this contract with the State. All persons engaged in performing the work covered by the contract shall be considered employees of the Contractor.

5.30 CONTRACT INVALIDATION

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

5.31 NON-DISCRIMINATION

The Contractor shall comply with all applicable federal and State laws prohibiting discrimination against any person on the grounds of race, color, national origin, religion, creed, sex, age, sexual orientation, marital status, handicap, or arrest and court records in employment and any condition of employment with the Contractor or in participation in the benefits of any program or activity funded in whole or in part by the State.

5.32 CONFLICTS OF INTEREST

The Contractor represents that neither the Contractor, nor any employee or agent of the Contractor, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the Contractor's performance of this contract.

5.33 WAIVER

The failure of the State to insist upon the strict compliance with any term, provision or condition of this contract shall not constitute or be deemed to constitute a waiver or relinquishment of the State's right to enforce the same in accordance with this contract.

5.34 SEVERABILITY

In the event that any provision of this contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this contract.

5.35 CAMPAIGN CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS

It has been determined that funds for this contract have been appropriated by a legislative body.

Therefore, Offeror, if awarded a contract in response to this solicitation, agrees to comply with HRS Section 11-205.5, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the contractor is paid with funds appropriated by a legislative body.

5.36 ADDITIONS, AMENDMENTS AND CLARIFICATIONS

Approvals. Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General as to form, and is subject to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Cancellation of Solicitations and Rejection of Offers. The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in HAR §§3-122-95 through 3-122-97.

Confidentiality of Material. All material given to or made available to the Contractor by virtue of this contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

All information, data, or other material provided by the Offeror or the Contractor to the State shall be subject to the Uniform Information Practices Act, HRS chapter 92F. The Offeror shall designate in writing to the Procurement Officer those portions of its unpriced offer or any subsequent submittal that are trade secrets or other proprietary data that the Offeror desires to remain confidential, subject to HAR §3-122-58, in the case of an RFP, or HAR §3-122-30, in the case of an IFB. The Offeror shall state in its written communication to the Procurement Officer, the reason(s) for designating the material as confidential, for example, trade secrets. The Offeror shall submit the material designated as confidential in such manner that the material is readily separable from the offer in order to facilitate inspection of the non-confidential portion of the offer.

Price is not confidential and will not be withheld. In addition, in the case of an IFB, makes and models, catalogue numbers of items offered, deliveries, and terms of payment shall be publicly available at the time of opening regardless of any designation to the contrary.

If a request is made to inspect the confidential material, the inspection shall be subject to written determination by the Department of the Attorney General in accordance with HRS chapter 92F. If it is determined that the material designated as confidential is subject to disclosure, the material shall be open to public inspection, unless the Offeror protests under HAR chapter 3-126. If the request to inspect the confidential material is

denied, the decision may be appealed to the Office of Information Practices in accordance with HRS §92F-15.5.

Nondiscrimination. No person performing work under this Agreement, including any subcontractor, employee, or agency of the Contractor, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

Correctional Industries. Goods and services available through Hawaii Correctional Industries (HCI) programs may be the same or similar to those awarded by competitive sealed bids or proposals. Agencies participating in Executive Office on Aging requirements (price list) contracts may also procure directly from CI and shall not be considered in violation of the terms and conditions of any Executive Office on Aging contract.

Year 2000 Compliance. All appropriate hardware, software, and systems utilized for the work specified herein shall be year 2000 compliant.

Competency of Offeror. Prospective Offeror must be capable of performing the work for which offers are being called. Either before or after the deadline for an offer, the purchasing agency may require Offeror to submit answers to questions regarding facilities, equipment, experience, personnel, financial status or any other factors relating to the ability of the Offeror to furnish satisfactorily the goods or services being solicited by the STATE. Any such inquiries shall be made and replied to in writing; replies shall be submitted over the signatures of the person who signs the offer. Any Offeror who refuses to answer such inquiries will be considered non-responsive.

Preparation of Offer. An Offeror may submit only one offer in response to a solicitation. If an Offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an Offeror may submit only one offer for each line item (if any) of a solicitation. If an Offeror submits more than one offer per line item, then all offers for that line item shall be rejected.

Preference for Hawaii Products. A purchasing agency shall review all specifications in a bid or proposal for purchase from the Hawaii products (HP) list where these products are available; provided that the products: Meet the minimum specifications and the selling price f.o.b. jobsite; unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price in Hawaii f.o.b. jobsite; and unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price of a similar non-HP by more than: three per cent where class I HP are involved; five per cent where class II HP are involved; or ten per cent where class III HP are involved.

All persons submitting bids or proposals to claim HP preference shall designate in their bids which individual product and its price is to be supplied as a HP.

Where a bid or proposal contains both Hawaii and non-HP, then for the purpose of selecting the lowest bid or purchase price only, the price bid or offered for a HP item shall be decreased by subtracting there from: three per cent, five per cent, or ten per cent for the class I, class II, or class III HP items bid or offered, respectively. The lowest total bid or proposal, taking the preference into consideration, shall be awarded the contract unless the bid or offer provides for additional award criteria. The contract amount of any contract awarded, however, shall be the amount of the bid or price offered, exclusive of the preferences.

Printing Preference: All bids or proposals submitted for a printing, binding, or stationery contract in which all work will be performed in-state, including all preparatory work, presswork, bindery work, and any other production-related work shall receive a fifteen per cent preference for purposes of bid or proposal evaluation.

Where bids or proposals are for work performed in-state and out-of-state, then for the purpose of selecting the lowest bid or evaluating proposals submitted, the amount bid or proposed for work performed out-of-state shall be increased by fifteen per cent. The lowest total offer, taking the preference into consideration, shall be awarded the contract unless the solicitation provides for additional award criteria. The contract amount awarded, however, shall be the amount of the price offered, exclusive of the preference.

SECTION SIX

ATTACHMENTS AND EXHIBITS

- Attachment 1: OFFER FORM, OF-1
- Attachment 2: OFFER FORM, OF-2
- Attachment 3: CERTIFICATE OF COMPLIANCE FOR FINAL PAYMENT
- Exhibit A: FMS Responsibilities
- Exhibit B: CLP Participant Guidebook (draft)
- Exhibit C: General Conditions

**OFFER FORM
OF-1**

**Financial Management Service and Coaching for a Participant-Directed
Home and Community Based Support Program**

STATE OF HAWAII
DEPARTMENT OF HEALTH, Executive Office on Aging
RFP-910-FMS-EOA

Procurement Officer
Executive Office on Aging
State of Hawaii
Honolulu, Hawaii 96813

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Conditions, by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof. The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Offeror is:

☐ Sole Proprietor ☐ Partnership ☐ *Corporation ☐ Joint Venture
☐ Other _____
*State of incorporation: _____

Hawaii General Excise Tax License I.D. No. _____

Payment address (other than street address below): _____
City, State, Zip Code: _____

Business address (street address): _____
City, State, Zip Code: _____

Respectfully submitted:

Date: _____ (x) _____
Authorized (Original) Signature

Telephone No.: _____

Fax No.: _____ Name and Title (Please Type or Print)

E-mail Address: _____ **
Exact Legal Name of Company (Offeror)

**If Offeror is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the awarded contract will be executed:

**OFFER FORM
OF-2**

Note: Pricing shall include labor, materials, supplies, all applicable taxes, and any other costs incurred to provide the specified services.

Total contract cost for accomplishing the development and delivery of the services.

\$ _____

Pricing Detail:

For Financial Management Services:

Price Allocation Components	Price Allocation	Price
1. Start-up costs if applicable and a description of the activities to be conducted as part of the start-up costs.	<i>Fixed Price</i>	
2. Billing for and disbursing program participant budget funds.	<i>Per unit cost</i>	
3. Enrolling CLP program participants, employees, service and support providers and vendors in the Financial Management System.	<i>Per unit cost</i>	
4. Creating and managing all CLP program participants', employees', service and support providers' and vendors' program-specific documents and files (current and archived).	<i>Per unit cost</i>	
5. For CLP participants, preparing and distributing employees' payroll including management of federal and state payroll taxes, garnishments, levies and liens, FICA refunding and issuance of IRS Forms W-2 and W-3 as applicable.	<i>Per unit cost</i>	
6. Managing invoices and paying service and support providers and vendors.	<i>Per unit cost</i>	
7. Preparing and disbursing required reports to the state and program participants.	<i>Per unit cost</i>	
8. Other components (please describe)		
Total Fixed Price if applicable or estimated total annual cost for services to all participants using a per unit cost.	<i>Fixed Price</i>	

Offeror Signature _____

Name of Company _____

CERTIFICATION OF COMPLIANCE FOR FINAL PAYMENT
(Reference §3-122-112, HAR)

RFP-910-FMS-EOA

Reference: _____
(Contract Number)

(IFB/RFP Number)

_____ affirms it is in
(Company Name)
compliance with all laws, as applicable, governing doing business in the State of Hawaii
to include the following:

1. Chapter 383, HRS, Hawaii Employment Security Law – Unemployment Insurance;
2. Chapter 386, HRS, Worker’s Compensation Law;
3. Chapter 392, HRS, Temporary Disability Insurance;
4. Chapter 393, HRS, Prepaid Health Care Act; and

maintains a "Certificate of Good Standing" from the Department of Commerce and Consumer Affairs, Business Registration Division.

Moreover, _____
(Company Name)

acknowledges that making a false statement shall cause its suspension and may cause its debarment from future awards of contracts.

Signature: _____

Print Name: _____

Title: _____

Date: _____

ATTACHMENT 3

Exhibit A

Financial Management Service Responsibilities

Customer Service. The FMS must be able to communicate effectively with participants, including those who have a wide variety of disabilities. The FMS must have a Customer Service System that includes:

- A. Sufficient training provided to all participants and their delegated representatives, at enrollment and as necessary, to ensure the participant/representative knows how to use the Financial Management Service;
- B. A toll-free phone number;
- C. Reasonable accommodations for communication with persons with sensory disabilities;
- D. Internet/e-mail communication;
- E. Availability of foreign language and American Sign Language interpretation if requested;
- F. The capability to make materials available in alternative formats needed by participants such as, but not limited to, large print; and
- G. For the services that it provides, develop a method for receiving, responding to and tracking complaints from participants and participant's employees within 2 working days of receiving a complaint.

Information and Orientation for New Participants. The FMS must provide new participants and participant's employees with standard information and an orientation to FMS services that includes, but is not limited to:

- A. FMS services brochure
- B. A participant enrollment packet which includes, but is not limited to:
 - a. Introductory letter;
 - b. A description of FMS services, hours of business and key contact information;
 - c. Participant contact information form, including emergency contact information, to be filled out by the participant;
 - d. Semi-completed IRS Form SS-4, Application for Employment Identification Number, for signature;
 - e. Semi-completed IRS Form 8821, Tax Information Authorization Form, to obtain tax information on behalf of participants;
 - f. Semi-completed IRS Form 2678, Appointment of Agent, for signature;
 - g. Semi-completed state tax and unemployment insurance registration form;
 - h. Semi-completed State Unemployment Insurance Form granting Fiscal/Employer Agent (F/EA) authority to act as an employer agent of the participant (if required);

- i. Semi-completed state Form BB-1, "Basic Business Application," (to be filed with the State Tax Office within 20 days after services of an employee begin);
 - j. An agreement to be signed by the participant that lists the rights, roles and responsibilities of the participant, representative or guardian if applicable, participant's employee, F/EA and state program agency; the agreement states that the participant understands each party's role and responsibilities, and states that the participant agrees to abide by the policies and procedures of the F/EA and the state program agency;
 - k. An Authorized Representative Designation Form signed by the participant's representative, if applicable, that lists the role and responsibilities of the representative related to the participant and the F/EA and any limitations, states that the person agrees to be the participant's representative and will abide by the policies and procedures of the F/EA and state program agency;
 - l. An agreement to be signed by the participant and the participant's employee stating that the participant is the employee's employer, the employee has the necessary knowledge, skills and experience to meet the participant's support service needs and has received orientation and training sufficient to meet the participant's needs;
 - m. An agreement to be signed by the participant's back-up employee that lists the back-up worker's role and responsibilities, times available and any limitations, and states that the person agrees to be the participant's back-up employee; and
 - n. Instructions for the completion of all forms
- C. An employee employment packet which includes, but is not limited to:
- a. Introductory letter;
 - b. An employment application;
 - c. Bureau of Citizenship and Immigration Services (BCIS) Form I-9, Verification of Citizenship and Alien Status;
 - d. IRS Form W-4, Employee's Withholding Allowance Certificate with instructions and completed example;
 - e. IRS Form W-5, Earned Income Credit Advance Payment Certificate with instructions;
 - f. A confidentiality policy and form to be signed by the employee stating that the employee agrees will abide by the confidentiality policies;
 - g. Grievance procedure for disputes between participants and their employees;
 - h. Payroll schedule indicating the days when employee timesheets are due at the FMS and the days when the FMS will issue employees' paychecks;
 - i. Payroll time sheet with instructions;
 - j. Instructions for the completion of all forms;

- k. An agreement to be signed by the employee that lists the role and responsibilities of the participant, employee, F/EA and state program agency; the agreement states that the employee understands the roles and program's responsibilities; and understands and agrees to abide by the F/EA's and state policies and procedures
- l. A release form to conduct a statewide Criminal Background Check; and
- m. A release form to conduct state Abuse Registry screening.

Payroll Services

The F/EA acts as a fiscal agent for each participant in accordance with Section 3504 of the IRS code and IRS Revenue Procedure 70-6. The F/EA must:

- A. Obtain IRS and state approval to be an Employer Agent;
- B. Obtain authorization from the state unemployment insurance agency for the limited purpose of managing unemployment taxes for each participant;
- C. Prepare and file IRS Form SS-4, Application for Employer Identification Number, and obtain separate FEIN for the sole purpose of filing IRS forms 941, Employer's Quarterly Federal Tax Return, W-2, Wage and Tax Statement, and W-3, Transmittal of Wage and Tax Statement, as an Employer Agent;
- D. Prepare and file IRS Form SS-4, Application for Employer Identification Number (FEIN), and obtain an FEIN for each participant;
- E. Assist participants in verifying employees' citizenship/legal alien status by verifying social security number with the Social Security Administration and completing the Bureau of Citizenship and Immigration Services (BCIS) Form I-9;
- F. Ensure that wages paid to participants' employees are in compliance with federal and state labor laws;
- G. Compute, withhold, file and deposit federal Medicare and Social Security (FICA) and federal income tax as required by law. In carrying out this function, the F/EA must:
 - 1. Use IRS Form 941 or its successor forms;
 - 2. File quarterly in the aggregate for all participants represented using the employer agent's separate FEIN; and
 - 3. Deposit FICA and federal income tax withholding in accordance with IRS depositing rules.
- H. It is recommended that the F/EA withhold, file and deposit federal and state income taxes for workers even when federal and state tax rules make this optional for domestic service workers;
- I. Refund over-collected FICA withholding to employees and employers (or state) when employees do not earn the FICA wage threshold for a particular calendar year;

- J. Compute, withhold, file and deposit federal unemployment taxes (FUTA) individually for each participant annually using the participant's FEIN to match state unemployment tax (SUTA) filing process. The F/EA must:
 - 1. Use IRS Form 940, 940 EZ or successor forms;
 - 2. File annual IRS Form 940, 940 EZ or successor form for each participant the F/EA represents; and
 - 3. Deposit FUTA in accordance with IRS rules.
- K. Refund over-collected FUTA withholding to employers (or state) when employer's employees in the aggregate do not earn the FUTA wage threshold for a particular calendar quarter in the current or previous calendar year, as necessary;
- L. Manage Federal Advance Earned Income Credit;
- M. Compute, withhold, file and deposit state income taxes individually;
- N. Compute, withhold, file and deposit state unemployment insurance taxes (SUTA) individually and refund over-collected SUTA to employers or State as necessary;
- O. Apply judgments, garnishments and levies to workers' paychecks, as applicable;
- P. Prepare and file IRS Form W-2, Wage and Tax Statement in accordance with current IRS instructions for agents;
- Q. Prepare and file IRS Form W-3, Transmittal of Wage and Tax Statements, annually in the aggregate in accordance with current IRS instructions for agents;
- R. Retire a participant's IRS Form 2678 and IRS Form 8821 when the participant is no longer an employer represented by the F/EA;
- S. Retire a participant's FEIN and state tax registration number(s), and terminate federal and state tax filings when the participant is no longer an employer;
- T. Carry out any other payroll and tax function necessary to ensure compliance with federal and state laws and program rules (e.g. Temporary Disability Insurance);
- U. Process payroll from timesheets signed and submitted by employees and participants and ensure payment within seven (7) days of the end of each payroll period, with payroll issued at least twice a month;
- V. Provide participants and employees with timesheet forms and pre-addressed, pre-stamped envelopes for signature and submission, or provide an alternate mechanism to submit timesheets online that is secure, verifiable and approved in advance by the state; and
- W. Provide the option of Direct Deposit for participants' employees, if requested.

Workers' Compensation Insurance Coverage. The F/EA must inform participants about their obligations for compensating employees in the event of a work injury and the need for mandatory Workers Compensation Insurance Coverage. In carrying out this provision, the F/EA must:

- A. Explain coverage available through individual standard workers' compensation insurance policies and home owners' or tenants' insurance policies; and
- B. Broker worker's compensation insurance coverage in some form on behalf of participants and assure payment of worker's compensation insurance premiums. The F/EA must attempt to negotiate volume discounts with insurers to make individual policies as affordable as possible to participants.

Invoices. The F/EA must process and pay authorized invoices to vendors supplying goods authorized to participants within 2 weeks of the F/EA's receipt of the invoice.

Criminal Background Checks. The F/EA must ensure that program rules regarding criminal background checks for employees and representatives are met. The F/EA must conduct Hawaii criminal background checks for all participants' paid employees as well as any appointed participant Representatives.

Management of Participant's Budget Funds. The F/EA ensures the following in regard to managing each participant's budget funds:

- A. Funds must be kept in a non-interest bearing account separate from all other bank accounts managed by the Contractor;
- B. F/EA must enter into a Memorandum of Understanding (MOU) with deposit bank regarding ownership of program funds and provide the Department with copies of said MOU;
- C. F/EA must provide a monthly budget statement to each participant detailing budget funds expended, budget funds remaining and other information needed to assist the participant in managing the budget, in an agreed upon format; and
- D. F/EA must have a system to receive, process and pay all non-labor related invoices including payment to vendors as specified in the participants spending plan and to ensure that all payments correspond to the plan.
- E. F/EA shall return unexpended participant budget funds to the State when a participant is disenrolled from the CLP.

Information Technology/Record Keeping/Service Continuity. The F/EA must demonstrate the following capabilities:

- A. Keep personal information and personal health information confidential in compliance with the Health Insurance Portability and Accountability Act (HIPAA);
- B. Have a Disaster Recovery Plan in place for maintaining essential services, as well as restoring software and master files and hardware backup for all computerized records associated with participants, should man-made or natural emergencies occur that prevent normal operations;

- C. Have a system in place for the storage of all records and files associated with participants, their employees and vendors as required by federal and state regulations;
- D. Have the ability to transmit data and information between the F/EA and EOA electronically.

Keeping Up to Date with Federal and State Rules and Regulations regarding F/EAs and

Household Employers. The F/EA must demonstrate the system that they utilize to review all IRS and State forms, instructions, notices and publications related to the role of F/EAs in performing their duties, and to update forms and procedures as needed.

Worker Registry: In order for participants in the Community Living Program to have access to the widest range of potential caregivers, a worker registry will be established. The F/EA should give every paid caregiver who passes initial Criminal Background, Abuse Registry and citizenship screening the option to be listed on that registry and provide to the registry basic identifying information for each caregiver who requests placement on the registry.

EXHIBIT B

{Draft CLP Guidebook}

How can this guidebook help you?

This guidebook will help you to use CLP, the Hawaii Community Living Program of Self-Directed Home and Community Based Supports. You will get some new information, and you may not remember everything. But you will be able to refer to your guidebook for help. This guidebook explains who is available to assist you.

Self-direction doesn't mean doing things all by yourself — people are available to support you along the way.

There is a section that talks about who does what. There are ideas and tips for when you develop your own service and support plan and budget. It also explains your rights and responsibilities in CLP. Please think carefully about the information in this guidebook. CLP's choice and flexibility come with responsibilities.

How to get information in a way that is easiest for you

If you need this guidebook in another format such as Braille, large type, audiotape or DVD, talk with the people who signed you up for CLP. You may also be able to get it in another language, such as Ilocano or other languages, if that is easier for you to understand.

Table of Contents

What CLP?	Is
What Does Self-Direction Mean?	
My Responsibilities in CLP	
Do I Have to Do This by Myself?	
• Coach	

SPO Form-22 (11/03)

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• Things to consider when choosing a Coach	
• Fiscal/Employer Agent	
What Does It Mean to Be an “Employer of Record”?	
Creating My Service and Support Plan and Budget	
• Why do I need a service and support plan and budget?	
• How much money will be available for services, supports and goods?	
• Getting started	
• Deciding what is important	
• How to get my needs met	
• Making my plan and budget	
• In making my plan and budget, how should I start?	
• What should my proposed plan and budget include and how will I get what I need?	
• Are there specific plan and budget approval guidelines?	
• Services, supports and goods I MAY choose to buy	
• Traditional Home and community based supports services and supports	
• Other services, supports and goods	
• Services, supports and goods NOT COVERED in CLP	
• Submitting my plan and budget for approval	
What If My Plan and Budget Aren’t Approved?	
Making It Happen — Arranging for Services, Supports and Goods	
• How to hire help	
• How to place an ad	
• How to do an interview	
• How to do a background check and check references	
• How to purchase participant-delegated goods and services	
• How to make sure CLP is working the way I want	
• How to change my approved plan and budget	
• Annual plan and budget review	
• Health and safety	
What If CLP Isn’t Working for Me?	
Additional Contacts	
Appendices	

- A. Glossary of Terms
- B. Frequently Asked Questions
- C. Sample Service and Support Plan, Budget and Worksheets
- D. Sample Consent Form — Choosing CLP: Understanding Participant Responsibilities

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The information in this guidebook is current as of **October 2010**. Information may be revised from time to time because of changes in state and federal requirements.

Hawaii’s Community Living Program

What Is “CLP”?

CLP is Hawaii's Self-Directed Home and community based supports program. CLP is designed to assist you in directing your own services and supports.

What Does Self-Direction Mean?

In CLP, self-direction means you decide:

- What services, supports and goods you need
- When the services and supports are provided
- Who provides those services and supports
- Where the services and supports are provided
- How the services and supports are provided
- Who you want to help you plan your services, supports and goods

Self-direction means you have more:

- Choice
- Control
- Flexibility
- Freedom

With self-direction, you:

- Are in control of your life and how you live it
- Can get support with what you need, in the way you need it
- Make choices about your services and supports
- Hire the people to provide your services and supports

Self-direction also means:

- A budget (money) gets approved for you to use to hire workers and buy services and goods, according to a plan you create
- You are responsible for following the CLP rules

My Responsibilities in CLP

As a CLP participant, some of your responsibilities will be to:

- Assist with establishing your CLP eligibility

- Develop a plan and budget
- Follow your plan and budget
- Let someone know if you need help
- Work with your Coach
- Work with the Fiscal/Employer Agent
- Arrange to get the services, supports and goods you need and pay for them
- Be the employer: Hire and manage the people who will provide your services and supports, which may include replacing them if they are not working out for you
- Keep records
- Follow CLP guidelines
- Be accountable for the use of CLP funds

Do I Have to Do This by Myself?

You do not have to do this by yourself. The Coach and the Fiscal/Employer Agent can help you. People in your life can also help you with CLP; they can participate with you. You may choose people you trust, such as your family, your friends or people who have helped you before.

• Coach

Everyone who participates in CLP will have a Coach. The Coach is available to you at no cost to you to:

- Help you understand CLP
- Help you develop your service and support plan and budget
- Help you evaluate your service and support plan and budget, and how CLP is working for you
- Help you understand and complete the paperwork
- Help you with problems

In working with your Coach, you are responsible for sharing what is important to you and deciding what direction you want your life to go.

Things to consider when working with a Coach

Everyone needs different things from a Coach. Here are some questions to think about asking your Coach:

- What days and times are you available to meet with me?
- Can you come to me when and where I need you?
- Are you located on a bus route and can I get to you easily?
- Is your location accessible?
- How soon could we meet to get started?
- What experience do you have with my particular concerns?
 - What experience do you have in developing personal service and support plans?
- What experience do you have in developing budgets?
- What training have you gone through to be a Coach?
- Can you help me do the paperwork?
- How familiar are you with community resources?
- Are you aware of my culture and how it might relate to our working together?

Coach is prepared to be:

- Patient
- Flexible
- Honest and trustworthy
- Sensitive to your feelings
- Of good character
- A good communicator
- Someone with whom you feel comfortable talking
- Able to laugh
- Able to be on time
- Positive in attitude
- Able to listen
- Respectful

Fiscal/Employer Agent

Everyone who self-directs in CLP will have a Fiscal/Employer Agent (F/EA).

The F/EA will:

- Act as your payroll agent and take care of money issues like receiving timesheets submitted by your employees and approved by you, issuing payroll checks, withholding and depositing taxes and other employer-related requirements
- Send checks to the people you hire and to the places where you purchase your goods and other services

- Send you a monthly budget report
- Contact you and your Coach if you request something that is not approved in your plan and budget
- Answer questions you and the people you hire may have about payroll matters

What Does It Mean to Be an “Employer of Record”?

In CLP, you will have some employer-related responsibilities.

When you self-direct through CLP, you become the “employer of record.” You will need to complete certain forms that officially make you an employer. In addition, you will receive training on being an “employer of record,” including how to be in charge of finding, hiring, scheduling and training your own employees; discrimination; workers’ compensation;

and other employer-related issues. As an “employer of record,” you will have the following responsibilities:

- Complete the employer paperwork.
- Help the people you hire complete their employee paperwork (supplied by the F/EA). The F/EA will process all the paperwork for you.
- Review, approve and submit timesheets to the F/EA on time, through the mail or by fax, so that your employees get paid for their work.

The F/EA will help you with these tasks and provide you with all the training and tools you need to be a successful employer.

After you have chosen to participate in CLP, met with your Coach and completed your enrollment paperwork with the F/EA, what do you do next? The next step is to create your Service and Support Plan and Budget, which will put CLP into action.

Creating My Service and Support Plan and Budget

• Why do I need a service and support plan and budget?

The service and support plan and budget describe the services, supports and goods you need to live in the community the way you want. The plan lists who will provide the services, supports and goods; the budget shows how you will spend the amount of money available to you. The plan and budget will also help the State understand why you need the services, supports and goods you chose.

• How much money will be available for services, supports and goods?

The amount of funding available for you will be determined by a functional assessment of your needs at the time you are invited to participate in CLP. Your Coach will have this information and will be able to tell you how much money you have to spend. You may use this money to buy what you need to live in the community. Remember, you do not have to spend all the money available to you.

• Getting started

Deciding what is important

CLP allows YOU to decide what services, supports and goods will best meet your community living needs. Spend some time thinking about what is most important to you. This information will help you when you write your plan and budget.

How to get my needs met

In considering what is most important to you, answer the following questions:

Q: What services and supports will I pay for with my CLP budget?

Finding things you will pay for takes time and patience. After all, you want to “shop” for the best price but still make sure you get a good buy. You want to be sure that what you buy is what you need for

community living, whether it is services, supports, equipment or supplies. The more people who know you're looking for something, the better chance you have of finding it. Be sure to let others know what you need and be specific.

Finally, there is a good chance that someone else in CLP is looking for some of the same help you are. If you are interested in sharing, with permission, what you have found out, let your Coach know.

A: _____

Q: Can I get any of the things I need for free?

Are your friends and relatives aware of your specific needs?

Sometimes what is obvious to you is not clear to others. If you have not discussed your needs with your friends and family in a while, it may be worth doing again. Be as specific as you can so people can understand what you need. People close to you may want to help, but they may not know how. If your friends and family cannot help, they may know someone who can. You may be surprised to learn how much you can get for free.

A: _____

Q: Could a local club, civic organization or faith organization provide any of the things I need for free?

Often the answer to this question is "I don't know." What you need is a place to start. Sometimes the best place to start is to call an information and referral line – sometimes called I & R. Your Coach can assist you or you can try contacting Hawaii's Aging and Disability

Resource Center at 643-ADRC (643-2372) or online at www.HawaiiADRC.org.

Many times the first call may not get you exactly what you want, but it gets you started asking for help. Have a pencil and paper ready to take notes.

The referral line may give you phone numbers to call. Call all the numbers even if you think they cannot help. Let the people at those phone numbers tell you if they cannot help you. If the number they give you is not local, ask if there is a toll-free number. If there is not a toll-free number, tell the person on the phone that you are calling long distance. Many times they will offer to call you back to discuss what you are looking for. Finding what you need takes time; if you stick with it, you will often get at least some of your needs met. By working to find out what supports you can get for free you may have additional money from your budget to purchase other supports.

A: _____

Creating My Service and Support Plan and Budget

• Making my plan and budget

Your Coach will have some worksheets to help you list and figure out what is important to you, what services and supports you need, how much these services and supports will cost and what you want to spend.

In making my plan and budget, how should I start?

1. Think about what you would like your life to be like and what services, supports and goods would improve your life. What skills would you like to improve? What do you need to help you keep living

well at home? Think about why these changes would make your life better.

2. Think about who might help you make these things happen.
3. Contact your Coach to set up a planning meeting.
4. Write your plan with the help of your Coach and anyone else you might want to help you, including family and friends.

What should my proposed plan and budget include and how will I get what I need?

Your Coach will tell you the amount of available funding that you will use to develop your plan and budget for each month. In making your plan and budget, think about:

1. What services, supports and goods you will need each month, and those services, supports and goods you may need once during the year or just a few times.
2. The types of workers you need to hire to provide the services and supports.
3. How often you will get the services, supports and goods.
4. The amount of money you have and how much money will be needed to pay for the services, supports and goods.
5. Your backup, or emergency, plan.
6. How you will decide if your plan is working for you.

Are there specific plan and budget approval guidelines?

Yes. When developing your service and support plan and budget, you must follow the approval guidelines. Your Coach will give you information about the guidelines and explain how they affect your plan and budget. The services, supports and goods that you choose must:

- Help you meet your functional, medical and/or social needs;
- Help you to reach the goals you may have set for yourself;
- Not be prohibited by CLP, federal or state laws and regulations;
- Not be available through another source; and
- Do one or more of the following:
 - Make it easier for you to do things that are hard because of your disability;
 - Increase your safety in your home environment; and/or
 - Lessen your need for other publicly funded services.

For the most part, the amount of funding available to you from month to month will not change, so you have to be careful to plan for how you will meet your needs for the whole year.

Notes:_____

Services, supports and goods I MAY choose to buy

You may choose from the following CLP services, supports and goods:

Traditional home and community based services and supports

The home and community based supports that may typically be needed on a regular basis might include some of these:

Category	<i>Some ways this may help</i>
Homemaker	Assistance such as preparing meals, shopping for personal items, managing money, using the telephone, and/or doing light housework
Personal Care Assistance	Provide personal assistance, stand-by assistance, supervision, or verbal cues to help a participant accomplish usual activities of daily living, such as eating, bathing, dressing, walking, toileting or moving about the home.
Adult Day Care	Personal care for participants in a supervised, protective, and congregate setting during some portion of a day
Assisted Transportation	Provide assistance and transportation, including an escort, to a participant who has difficulties (physical or cognitive) using regular vehicular transportation
Assistance with heavy chores	Assistance such as heavy housework, yard work or sidewalk maintenance
Home-Delivered Meals	Provide a fully prepared meal delivered to a participant's home.

Support for Family Caregivers	Provide services to family caregivers such as information, individual counseling, support groups, caregiver training, or respite care in order to provide a brief period of relief or rest for caregivers.
Environmental Modification	Modification of the home that facilitates the participant with a disability to remain living in the home, but does not increase the square footage.

Other services, supports and goods

You may also choose to purchase other services, supports or goods that help you continue living in the community. When selecting these services, supports and goods, you may want to think about these examples.

CATEGORY	EXAMPLES
Transportation	<ul style="list-style-type: none"> • Transportation (such as bus pass, taxi coupons, etc.) • Vehicle modifications and repairs • Equipment repairs
Community Participation	<ul style="list-style-type: none"> • Health club or fitness memberships • Community membership dues • Recreational activities
Household-Related	<ul style="list-style-type: none"> • Appliances • Adapted or specialized furniture
Technology for Safety and Independence	<ul style="list-style-type: none"> • Programmable or voice-activated phones • Personal alarms • Life lines • Assistive technology • Memory-prompting devices, or assistance-type goods and services
Health-Related Services or Equipment and Supplies	<ul style="list-style-type: none"> • Nutrition counseling • Noncovered medical and dental supplies • Noncovered durable medical equipment • Exercise equipment

	<ul style="list-style-type: none"> • Noncovered health-related supplies
Other Resources	<ul style="list-style-type: none"> • Specialized training your employees or Family Caregivers

Special Purchases

In making your plan and budget, keep in mind that your available funding must cover your needs for a whole year. This includes planning and budgeting for a special, higher-cost item as well as services you will need on a regular basis.

• Services, supports and goods NOT COVERED in CLP

- Services covered by your health insurance, Medicare and other third parties.
- Services, supports or goods provided to or benefiting persons other than you
- Room and board, including rent and mortgage payments
- Personal items and services not related to your disability (such as cable TV)
- Experimental treatments
- Vacation expenses (except for the cost of the self-directed services you may need while you are on a trip)
- Drugs, alcohol, tobacco or firearms
- Insurance
- Home modifications that add to the total square footage of the home
- Vehicle maintenance (except for modifications due to disability)
- Tickets to recreational events

A sample plan, budget and worksheets are included in the Appendices at the end of this guidebook.

Submitting my plan and budget for approval

Your plan and budget must be approved before services under CLP begin. Once you have prepared your plan and budget, your Coach will work with you to help get the plan and budget submitted and approved by CLP. Make sure your plan and budget focus on your long-term services needs and helps you:

- Live at home and in the community the way you want;
 - Reach your personal, social, physical or work-related goals;
 - Be involved with your family, friends and community in the way you want;
 - Increase your independence to the extent possible;
 - Decrease your need for other publicly funded services;
- AND be sure your budget follows the budget approval guidelines. Again, your Coach can help you understand these guidelines.

What If My Plan and Budget Aren't Approved?

If your plan and budget, or a part of your plan and budget, are not approved, work with your Coach to figure out your options, including help to request reconsideration of the decision. Final disapproval decisions will be sent to you in writing, including steps to follow if you disagree with the decision.

Making It Happen: Arranging for Services, Supports and Goods

While you are waiting for the approval of your plan and budget, you can begin to work on getting the services, supports and goods in your plan and budget. However, you cannot actually hire someone and begin services until your plan and budget are approved.

• How to hire help

You may hire your own service workers or a traditional home and community based supports provider agency. Here are some things to think about when hiring:

- What do I need the worker or service provider to do?
- How do I want it done?
- How often do I want help? Part-time or full-time?
- What time of day do I want help?
- Do I want help on the weekends and/or during the week?
- Do I prefer someone who is male or female?
- Does the person who helps me need to be strong?
- Does the person who helps me need to be able to drive?
- Does the person who helps me need to have his or her own car?

- Do I need more than one person to help me?
- Do I need different people to help me with different things?
- What do I want the people who help me to know about me?
- Do I want the people who help me to be friends, neighbors, family members or a formal provider?
- Would the person I want most to help me be the best person for the job?
- How much am I willing to pay for the help I need?

Once you know what type of help you want, you will need to find that someone or agency to do the job. Good places to look are:

- People you already know
- Local organizations for people with disabilities
- At your church
- With your doctor
- Employment agencies
- Local newspapers
- Bulletin boards at local organizations
- Local colleges or universities

About hiring family members

It is permitted in CLP to hire a family member to provide services, except a spouse or dependents. These individuals are not approved to be an employee under CLP because they have mutual financial and tax obligations with the participant. Employees who are relatives need to meet the same qualifications and requirements as other types of employees (background check, submitting timesheets on time, etc.). If you consider this option, it's important to think carefully about things like:

- Is my family member the best person to fill the job?
- How will our relationship change when I become the employer to my family member?
- How will I feel about evaluating my employee/family member's work?
- Would I expect more from a family member than from a non-family employee?
- If things are not working out, would I feel able to fire my employee/family member?

If you can't find the help you need from other places, you may want to place an ad.

• How to place an ad

You may have to place an ad in a newspaper, on a bulletin board or on a radio station to find help. Check ads in each of those places to see what they are like and how much the ads cost. Then, make sure you include important information in your ad like:

- What hours you want someone to work
- A general description of what you want them to do
- How to contact you or your contact person

You need to be careful about the type of information you put in the ad. Do not include your address or that you live alone. You need to be careful that when you hire someone they will treat you the way you want to be treated.

One way to do this is to talk with them over the phone before you meet them. Ask questions: name, address, phone number and how they would get to work. Talk about the job duties, and then ask about things that might be hard for them, like lifting or personal care. Ask about their experience in working with people who have disabilities. Make sure they provide references. Thank them for calling, and tell them you will call them back if you want to interview them in person. As with other parts of CLP, your Coach can help you if you have questions.

How to do an interview

Think about where you want to do the interview — at home or some other place nearby. If you interview someone, you might want to do some of the following:

- Take notes during the interview, or have someone you trust there to help you remember what is said
- Introduce yourself
- Tell the job applicant about the job and what you want them to do
- Give them an application and ask them to fill it out
- Ask about how they will get to work
- Talk about when you need help

- Talk about CLP and how the Fiscal/Employer Agent will be writing their checks and ensuring that their payroll taxes and workers' compensation are handled
- Talk about what the job pays
- Ask them why they want to work with you
- Ask them why they think they would be good at working with you
- Tell them you are required to do a background check
- Ask them for references
- Thank them and tell them you will call when you make your decision

• **How to do a background check and check references**

Once the interview is over, you will need to check their references and do a background check. To do a background check, contact the F/EA, who will conduct one for you.

To check references, call the people listed as references and ask about the applicant. Some good questions are:

1. What are the applicant's strengths?
2. What are the applicant's weaknesses?
3. Would they recommend the applicant to work with you?
4. Do they show up on time?
5. Do they do the job required?
6. Do they show up regularly?
7. Do they call when they will be late, or may not be able to work?
8. Do they bring personal problems on the job?
9. Do they drink or do drugs on the job, or come to work impaired?

Ask questions about the qualities you want in someone. For example, is the applicant honest? Does the person respect other people?

Now that you have learned about the applicant, make the best decision you can about whether the applicant is right for you. Call and let the individual know you want to hire him/her for the job and restate what the job pays. If the applicant accepts your job offer, decide on a starting date, and have the individual fill out the forms you need to send to the F/EA. Your Coach can help you with these forms if you need assistance.

• **How to purchase goods and other services**

Some of what you may want to spend your budget on might be things that would make it easier for you and mean that you would need less help from others. For example, a microwave oven might make it easier for you to prepare your own meals. You might also want to buy a service, like someone to build a ramp in your home so that you can get around using walker or wheelchair. Review the list of categories in this guidebook for other examples. When you buy something other than hiring someone to help you, you need to:

- Find what it is you are looking to buy
- Find out if it is the best price for you
- Get a quote, which is a written document showing how much the service or item will cost, including tax and delivery or setup fees, if they apply
- Find out if the business will accept a check from the F/EA
- Send the quote with a request for a check to the F/EA
- Find out if the item is covered – the F/EA will pay the people selling what you want so you get the item or service

How to make sure CLP is working the way I want

Once you use the services and supports in your plan, how do you make sure they are really helping you? Only you will really know if something needs to change. You might want to ask yourself questions like:

- Does the person I hired do what we agreed he/she would do?
- Am I happier now?
- Do I spend more time doing the things I am good at and enjoy?
- Do I spend time with the people I care about and like?
- How could my life be better?

If you want to talk with someone about these questions, think about asking your family, friends or others you trust. You can also contact your Coach to talk these things over.

Notes...

How to change my approved plan and budget

When you want to make any changes in your plan or budget, you must contact your Coach first to discuss the change and, if necessary, get approval. Depending on the change(s) you want to make, you may have to amend your plan and budget and get the changes approved. Here are the rules for making changes:

You DO have to amend your plan and budget and ask for another approval if:

- You want to make a big change, such as changing your worker's pay rate or spending more on a service or item. You will have to revise your plan and budget and have them approved, because the change(s) mean(s) that you will have to spend less on something else.
- You want to add a new need to the plan and buy a new service or good. Again, remember when you add a new service or good, you will have less to spend somewhere else, and you will have to adjust your spending.

You DO NOT have to amend your plan and budget and ask for another approval if:

- You want to increase or decrease slightly the amounts you spend on the approved purchases.
- You have unexpected assistance and will be spending less than you planned that month for a service or support.
- You want to redistribute your workers' hours among your workers (when you have more than one worker) while keeping the total number of hours the same.
- You want to change a purchase from an approved service or good to an alternate service or good that could address your needs in a similar or better way with little change in your approved budget.

Remember, when you want to make any change in your plan and budget, you should contact your Coach first to discuss the change and, if necessary, get approval.

Making It Happen: Arranging for Services, Supports and Goods

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- **Annual plan and budget review**

At the time you renew your eligibility each year, you will also review your plan and budget and decide if they are working for you. You can also review the plan and budget more often, if needed. When you review your plan and budget, you may want to make changes, especially if your needs have changed. Contact your Coach and follow the guidelines described in the previous section for making changes in your approved plan and budget.

- **Health and safety**

The state of Hawaii wants to make sure that you are receiving the services and supports you need in CLP to live successfully at home and in the community. Officials from the Executive Office on Aging, of the Department of Health, will look at the program to make sure CLP regulations are being followed and that CLP participants are receiving the services and supports they need. If you feel that you are being abused, neglected or exploited please call **Adult Protective Services at 808-832-5115**.

NOTES...

What If CLP Isn't Working For Me?

If you decide that CLP is not working for you, you can stop using CLP and instead receive services through other home and community based supports programs at any time.

How to do this:

1. Contact your Coach and set aside time to discuss what is not working for you.
2. You and your Coach can arrange a plan to transition out of CLP and participate in another program.

Additional Contacts

If you have questions that have not been answered in this guidebook, there are other places to find the answers. These include the Coach, the Fiscal/Employer Agent or an advocacy agency.

- **The CLP Coach agency contact information:**

[Insert phone number]

- **The Fiscal/Employer Agent:**

[Insert number]

My Coach's name is_____

My Coach's phone number is_____

Appendix A. Glossary of Terms

ADRC (AGING AND DISABILITY RESOURCE CENTER) – ADRC is established by the state of Hawaii as part of the State system of long-term care, to provide a coordinated system for providing –

(A) comprehensive information on the full range of available public and private long-term care programs, options, service providers, and resources within a community, including information on the availability of integrated long-term care;

(B) personal counseling to assist individuals in assessing their existing or anticipated long-term care needs, and developing and implementing a plan for long-term care designed to meet their specific needs and circumstances; and

(C) consumers access to the range of publicly-supported long-term care programs for which consumers may be eligible, by serving as a convenient point of entry for such programs.

Contact the ADRC at 643-ADRC (643-2372) or www.HawaiiADRC.org.

BUDGET – The amount of CLP funding available monthly for the individual participant. When the participant is offered CLP services and is deciding whether to select self-direction over traditional home and community based supports, the Coach receives the individual budget information from the State and informs the participant of the CLP budget amount. Any requests for adjustments to the budget, based on a change in the participant's needs, are initiated by the participant through his/her Coach.

CLP – Hawaii’s Community Living Program is the home and community based supports program through which eligible participants will have the option to control and direct services, supports and public funds, using the essential elements of person-centered planning, individual budgeting, participant protections, quality assurance and quality improvement.

COACH – A trained individual who assists a CLP participant to understand the CLP requirements, developing a service and support plan and budget, and identifying when or how the developed service and support plan and budget can be implemented. This person works for an agency (coach contractor agency) and is not a family member or friend.

COACH CONTRACTOR AGENCY (CCA) – The CCA, which holds a contract with the State, hires individual Coaches and trains and certifies these Coaches to provide support to individual CLP participants.

CONSUMER DIRECTION – A concept that emphasizes the ability of older persons, persons with disabilities and, where appropriate, their families, to decide about their own needs and make choices about what services would best meet those needs. Consumer direction, participant-direction and self-direction are sometimes used interchangeably.

FISCAL/EMPLOYER AGENT (F/EA) – The F/EA is under contract with the State to act on behalf of each CLP participant to handle employer-related functions, pay participants’ workers and help the participant keep track of his/her funds.

PARTICIPANT-DIRECTION - A concept that emphasizes the ability of older persons, persons with disabilities and, where appropriate, their families, to decide about their own needs and make choices about what services would best meet those needs. Consumer direction, participant-direction and self-direction are sometimes used interchangeably.

PARTICIPANTS in CLP – Older persons and adults with disabilities who meet the eligibility criteria and who have been allocated funds to receive services and supports through the CLP program. Where participants have cognitive impairments, the term “participants” also includes families, e.g., a relative, significant other or recognized surrogate decision-maker.

SELF-DETERMINATION – A broad concept that means participants have overall control of their lives and ability to take part in society. Self-determination rests on five basic principles: 1) freedom to lead a meaningful life in the community; 2) authority over dollars needed for support; 3) support to organize resources in ways that are life-enhancing and meaningful; 4) responsibility for the wise use of public dollars; and 5) confirmation of the important leadership that self-advocates must hold in a newly designed system.

SELF-DIRECTION – A concept that emphasizes the ability of older persons, persons with disabilities and, where appropriate, their families, to decide about their own needs and make choices about what services would best meet those needs. Consumer direction, participant-direction and self-direction are sometimes used interchangeably.

SERVICES AND SUPPORTS PLAN – A participant plan that contains the home and community based supports and services that the participant chooses; the projected costs, frequency and duration; and the type of provider who furnishes each service. The plan also includes other services (regardless of funding source, including private-paid and State plan services) and informal supports that complement home and community based supports and services in meeting the participant’s needs.

HOME AND COMMUNITY BASED SUPPORTS (HCBS) – An array of services, care or items intended to assist individuals in coping with, and to the extent practicable compensate for, functional impairments in carrying out activities of daily living. HCBS are delivered in the individual’s home or community as an alternative to providing long-term services in institutional settings such as a nursing facility, care home, foster home or assisted living facility.

Appendix B.

Frequently Asked Questions

Q. A.

How can individuals qualify for CLP?

The individual is assessed to determine if he or she may be at risk to lose the functional ability to continue to live in their own home, and at risk to become impoverished by self-paying for home and community based supports. To ask for an assessment, contact the ADRC at 643-ADRC (643-2372) or www.HawaiiADRC.org.

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Q. A.

Who is the leader in CLP?

The participant is the leader. He or she decides if family members or any other persons should be involved.

Q. A.

What services are included?

The participant decides what services he/she needs. This means the participant may choose to buy services, supports or goods if those services, supports or goods:

- Help the individual to meet his/her functional, medical and/or social needs and live life successfully;
- Help the individual to reach the goals he/she has set for himself/herself;
- Are not prohibited by CLP guidelines or by Federal and State laws and regulations, including the State's Procurement Code;
- Are not available through another source; and
- Do one or more of the following:
 - The service or item would make it easier for the individual to do things that are difficult because of his/her disability;
 - The service or item would increase the individual's safety in his/her home environment; and/or
 - The service or item would lessen the individual's need for other publicly funded services.

Q. A.

How much funding is available for services and who decides how it will be spent?

The amount of funding available to the participant is determined by the State. The participant's Coach will have this information and will be able to tell the participant how much money he/she has to spend. The participant decides how to spend the amount of funding available. If the participant believes this amount is not sufficient to meet his/her needs, contact the Coach to discuss other options.

Q. A.

Who can help the participant develop a plan and budget?

The participant decides what services he/she needs and develops a Service and Support Plan and Budget with the assistance of the Coach and anyone else the participant wants to be involved, such as a family member or friend.

Q. A.

Who hires the service workers and decides what to pay them? Who pays the workers?

The participant decides what workers to hire and how much to pay them. The CLP Fiscal/Employer Agent (F/EA) will pay the workers based on the approved budget and the timesheets submitted. They will handle other employer responsibilities for the participant such as withholding taxes.

Q. A.

Does the participant's taxable income go up because of receiving a CLP budget? Does a participant lose financial eligibility for other public programs like food stamps or low-income renter's tax credits?

No. The participant receives the services, supports and items purchased with the budget, but does not receive the money directly. The Community Living Program is designed to meet the requirements of Section 3504 of the IRS code and Revenue Procedure 70-6 to

SPO Form-22 (11/03)

facilitate eligible publicly-funded home and community-based service participants' use of self-directed services.

Q. A.

Who can help the participant with implementing the State-approved plan and budget?

The participant's Coach can help to implement the approved Service and Support Plan. The CLP F/EA will help implement the approved budget by paying the participant's workers and keeping track of expenses.

Q. A.

How much flexibility and control will the participant have with their services?

The participant directs his/her services. Participants will have flexibility and control over the types of services and supports they purchase, who will provide the services, where and when those services and supports will be received, and how much the workers are paid.

Q. A.

What learning and training activities are included?

The participant will receive information about CLP and how it works from multiple sources: his/her Coach, the CLP Guidebook, and the Fiscal/Employer Agent.

Q. A.

How long does it take to receive benefits under CLP?

For participants who are currently in a home and community based supports program it takes approximately 60 days to transfer to CLP. For individuals who are newly eligible for home and community based supports services and have chosen CLP, it takes approximately 90 days to start receiving benefits.

Q. A.

When do CLP services stop?

The program is voluntary and a participant may choose to leave the program at any time. Usually, the program services would stop if a participant:

- no longer needs the supports to remain living at home
- no longer meets the financial eligibility criteria
- moves out of the CLP geographic area
- demonstrates an inability to manage their own services and has no other support to manage them
- enters another publicly funded program of supports such as Medicaid
- is admitted to a nursing facility, care home, foster home or assisted living facility, or
- uses money from the budget fraudulently
- decides that participating in CLP is not a good match for them and want to transfer to a different program.

Q. A.

What happens next if CLP services stop?

If the participant is no longer eligible for CLP, he or she will be referred and may choose to be transitioned to other programs or options for support. This process will include a written notification and an in-person meeting with the Coach.

Appendix C. Sample Service and Support Plan, Budget and Worksheets

Appendix D. CLP Consent Form

Exhibit C

General Conditions (Attached)